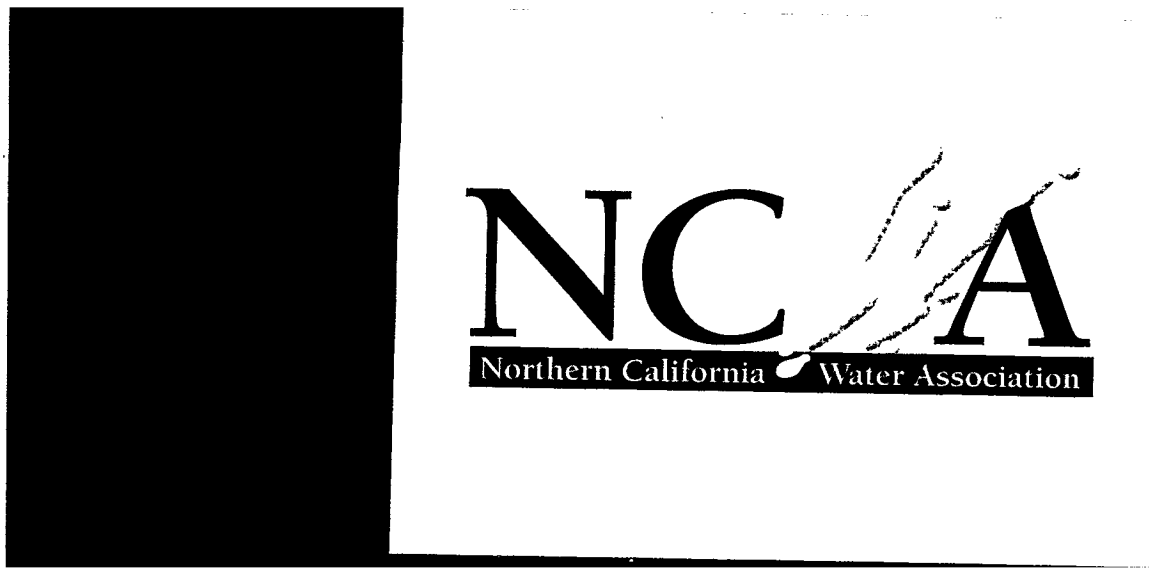

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NCWA
Northern California Water Association

Northern California Water Association

Presentation to the Bay Delta Advisory Council

May 14, 1998

Doubletree Hotel

Redding, California

455 Capitol Mall, Suite 335 Sacramento, California 95814 Telephone (916) 442-8333 Facsimile (916) 442-4035

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Northern California Water Association

NCWA Presentation to the Bay Delta Advisory Council

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Northern California Water Association

Presentation to the Bay Delta Advisory Council

May 14, 1998

Redding, California

1. **Tib Belza, NCWA Chairman – Introduction and Overview**

   Will provide an overview of Northern California's landscape, hydrology and agricultural water districts.

2. **Don Bransford, NCWA Director – Issues for Northern California**

   Will discuss issues and problems in Northern California, including the Endangered Species Act, groundwater management, flood control, water transfers and area of origin concerns.

3. **Andy Hitchings, Attorney, De Cuir & Somach – Legal Issues**

   Will provide an overview on California water rights law and area of origin statutes.

4. **Bill Gaines, Government Affairs Director, California Waterfowl Association – Ecosystem Restoration and Waterfowl/Wildlife Needs**

   Will discuss waterfowl and wildlife needs in the Bay-Delta ecosystem.

4. **Richard Golb, NCWA Executive Director – Northern California's Perspective of CALFED Program**

   Will discuss solutions to Northern California's CALFED issues.

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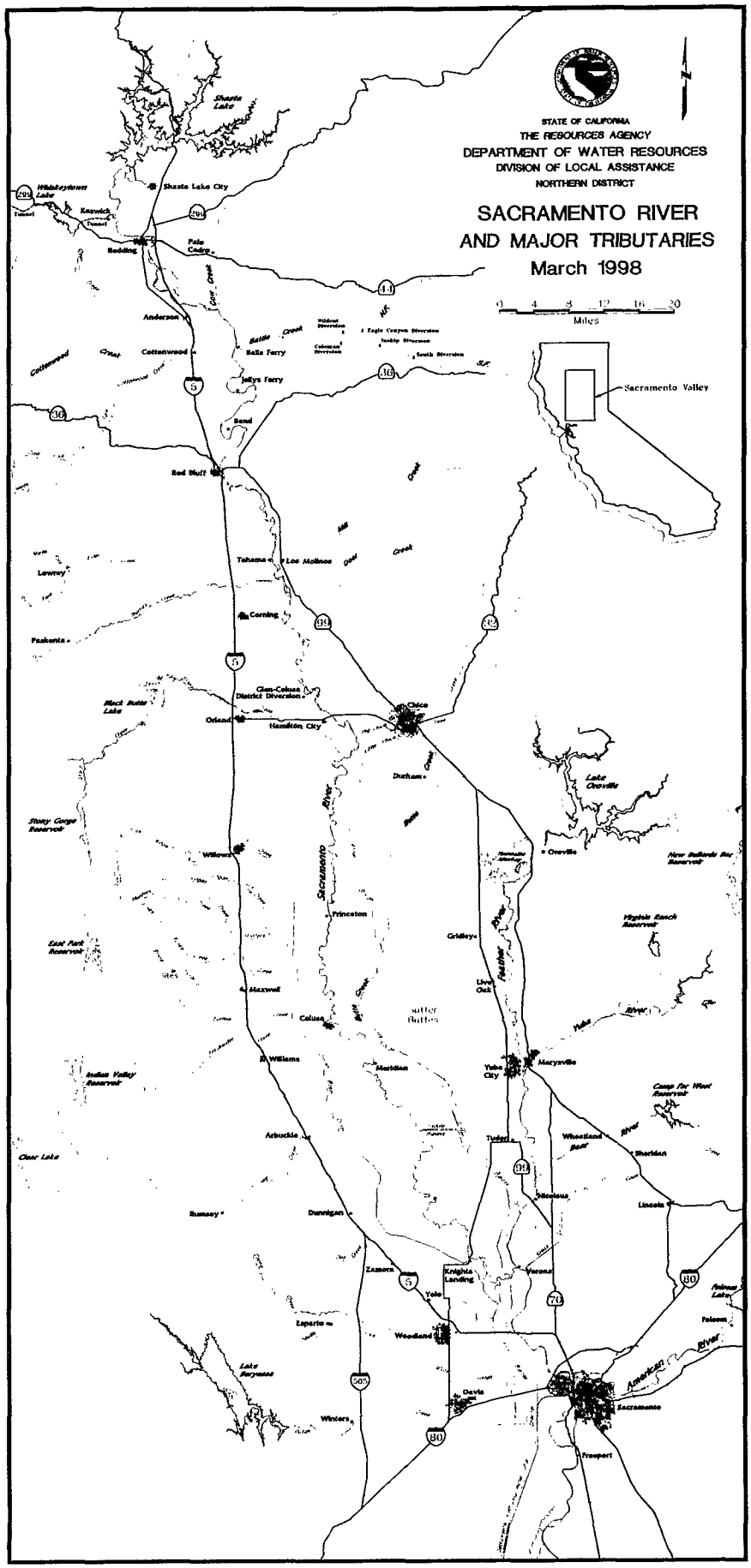

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Notes

Sacramento Valley Landscape

- Redding, northern end of Sacramento Valley; Sierra, Cascade, Coastal Ranges.
- Bay-Delta includes Northern California.
- Home to 2 million people. Up to 20% of economies derived from agriculture.
- 1.5 million irrigated acres, rice predominant crop.

Sacramento Valley Hydrology

- 75% of state's water from watersheds north of Sacramento - 4 major rivers.
- Shasta Dam, cornerstone of CVP, on Sacramento River; Oroville Dam, cornerstone of SWP, on Feather River.
- Many other dams on smaller tributaries.
- Groundwater resources not uniform throughout the Sacramento Valley.

Agricultural Water Suppliers

- Sacramento River Water Rights Settlement Contractors.
- Feather River senior water rights holders.
- Tehama-Colusa Canal.
- Yuba County Water Agency.
- Placer County Water Agency.

Endangered Species

- Over 20 species listed in the Sacramento Valley: winter-run, steelhead; fall, late-fall and spring runs proposed for listing.
- These listings can have serious impacts on agricultural water users.
- Fish improvement projects on Sacramento River and Butte Creek.

Groundwater

- Water districts implementing AB 3030 groundwater plans.
- Local counties (e.g. Glenn and Tehama) working cooperatively with water districts to manage groundwater.
- Fears of groundwater mining have led to several counties developing groundwater ordinances.

Flood Control

- 1997 floods: $2 billion in damage, lives lost, and 300 square miles under water.
- 1998 localized flooding: millions in damage and lives lost.
- Conflicts between traditional flood maintenance and ESA constraints.
- Delayed levee repairs and difficulty funding repairs.

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Water Transfers

- Control of water rights vested with districts.
- Transfers benefit both districts and communities.
- Accomplish transfers in an appropriate manner:
  - Minimize third-party impacts.
  - Benefit local economy.

Area of Origin

- California's water priority system - "First in time, first in right" - ensures certainty.
- Area of origin laws developed to protect areas of origin when CVP and SWP built.
- Failure by state and federal agencies to recognize area of origin needs frustrates our ability to transfer water.

Water Rights Priority System

- Dual system of water rights in California - riparian and appropriative.
- Priority system for appropriative water rights - "First in time, first in right."
- Valid water rights = vested property rights - due process, just compensation.
- Allocations that ignore priority system, undercut its certainty - impact transfers.

Area of Origin Statues

- County of Origin - Section 10505 et. seq.
- Watershed Protection Act - Section 11460 et. seq.
- Delta Protection Act - Section 12200 et. seq.
- Protected Areas of Origin - Section 1215 et. seq.

Area of Origin - Other Authority

- SWRCB Permit Terms and Conditions.
- California v. United States (1978).
- United States v. SWRCB (Racanelli Decision - 1986).
- California Attorney General Opinion (1955).
- Federal Law and Policy.

California's Central Valley

- Wintering and nesting habitat for waterfowl.
  - 60% of Pacific Flyway population.
  - 25% North American population.
- Historically 5 million acres.
- Today, 350,000 acres (90% lost).
  - "Managed" or farmed wetlands.

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North American Waterfowl Management Plan

- Identified Central Valley as priority area.
- Central Valley Habitat Joint Venture.
  - Habitat protection.
  - Habitat restoration.
  - Habitat enhancement goals.

Central Valley Habitat Joint Venture

- Protect 80,000 acres of existing habitat.
- Secure 402,450 acre feet firm water.
  - Public Habitats.
  - Grasslands.
- Restore 120,000 acres of wetlands.
- Enhance 291,555 acres existing wetlands.
- Enhance 443,100 acres of ag lands.

Waterfowl Habitat - Water is the Key

- Sacramento Valley.
  - Public habitat.
    - Sacramento National Wildlife Refuge Complex.
    - Gray Lodge Wildlife Area.
  - Private habitat.
    - Butte Sink.
  - Rice production.
    - Including winter flooding.

NCWA's CALFED Expectations

- Reaffirm California's system of water rights.
- Implementation of a balanced Ecosystem Restoration Plan that assists Sacramento Valley farmers and water suppliers.
- Construction of new reservoirs in Northern California.

THE CANAL LOSES

Stunning Defeat For Water Plans

San Francisco Chronicle
June 9, 1982

No Votes on 1982 Peripheral Canal

- Modoc - 93.9 %
- Lassen - 92.6 %
- Plumas - 93.6 %
- Siskiyou - 94.5 %
- Shasta - 89.5 %
- Tehama- 93.7 %
- Trinity - 94.5 %

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Notes

NCWA
Northern California Water Association

To: **NCWA Members**
From: **Dan Keppen, Member and Government Relations**
Date: **May 12, 1998**
Re: **CALFED Draft EIS/EIR Review**

Introduction:

The CALFED Bay-Delta Program (CALFED) released its draft programmatic environmental report (Draft EIS/EIR) in March and is currently conducting hearings throughout California to receive public comments on the program and report. Overall, the report summarizes the distinguishing characteristics of its three Alternatives, and analyzes their performance expectations and issues of concern relating to water quality, supply reliability, and environmental needs. Alternative 3, which features a dual Delta conveyance system, including an 8,000 – 12,000 cfs isolated facility, is identified as the most promising alternative based upon public health and fishery concerns.

The Wilson and Clinton Administrations have announced an extension of the deadline for written comments on the plan from June 1 to the end of June. CALFED is also considering issuing a revised draft environmental report recommending Alternative 3 as the preferred alternative – and an additional comment period on the revised draft. This revised draft would contain several critical provisions, including the staging of storage and conveyance elements and possibly recommendation of an interim plan to address Delta problems. The extension means that if CALFED identifies the preferred Alternative this year, it will most likely be Alternative 3, but CALFED would defer implementation steps on the storage and isolated facility features until next year.

NCWA is reviewing the Draft EIS/EIR and will prepare final comments both independently and in coordination with the Ag-Urban Policy Group (AUPG) and the Agricultural Water Caucus. NCWA will also testify at the May 14 public hearing in Redding, and at the May 20 public hearing in Yuba City. The following is our detailed summary of the draft report.

Overview of the CALFED Program & Coordination with Other Programs:

The Draft EIS/EIR is a programmatic document which focuses on the interrelated long-term and cumulative consequences of three primary alternatives, each of which contains "common" programs on water quality, ecosystem restoration, water use efficiency, water transfers, Delta levee system integrity, and watershed management. A range of new storage development is evaluated for each alternative. The key distinguishing feature between the three alternatives is how each proposes to move water through or around the Delta. With the exception of the Delta levee system integrity element, all these program elements are important for Sacramento Valley water suppliers and farmers.

The Draft EIS/EIR presents a "No Action Alternative" for the purpose of assessing what would happen in the future if the CALFED project alternatives are not implemented. A well-written No Action Alternative should provide a clear explanation of which programs will be completed under the CALFED

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umbrella, and which programs are distinctly separate from CALFED. Many stakeholders are hopeful CALFED will ultimately provide for better coordination between the state and federal agencies and their often conflicting mandates that govern water decisions in the Bay-Delta watershed. The Draft EIS/EIR should clearly distinguish its proposed actions from those conducted under other existing programs. For example, the Draft EIS/EIR does not clearly identify and distinguish its proposed Sacramento River restoration actions from those planned by the Upper Sacramento River Advisory Council (SB 1086). Also, greater specificity is necessary to demonstrate how proposed Central Valley Project Improvement Act implementation actions will be folded into the CALFED process.

Storage and Conveyance Elements:

The alternatives differ primarily in the proposed method of transporting water through or around the Delta, and the amount of additional storage included in each alternative. CALFED's Phase II Interim Report assesses distinguishing characteristics of each conveyance alternative and suggests that Alternative 3 - a dual conveyance facility with new screened diversions at existing Delta pumping plants, plus a new isolated conveyance facility with an 8,000 - 12,000 cfs capacity diversion located at Hood – provides more benefit than Alternatives 1 & 2. The most important characteristic of the Dual Delta facility is that it will improve water quality for export interests, and provide operational flexibility that is believed to minimize the negative impacts of the export pumps on Delta fish species and the environment.

Many questions surround operation of the proposed isolated facility, including its potential effects on all salmon species that will have to swim past the facility on their migration out to the Pacific Ocean and returning later to spawn upstream, and to delta fish species such as the Delta smelt. A new screened intake at Hood exposes Sacramento River runs of chinook salmon and steelhead to a possible entrainment source that currently does not exist in the north Delta. Assurances that operation of a new conveyance facility will not adversely impact fish species, as well as the water rights and supplies held by Northern California water users, must be developed prior to construction of any new conveyance facility. Similar assurances must prevent CALFED from proceeding with new Delta conveyance improvements until all actions, particularly new Sacramento Valley off-stream storage, are permitted, financed and are ready for implementation. Adequate programmatic findings are essential to ensure implementation of storage actions simultaneously with the common programs, particularly the ecosystem restoration program. Local sponsorship must be the foundation of any conjunctive use program, as recommended in the CALFED Groundwater Outreach Program report.

CALFED has not released a detailed analysis of storage options in the draft EIS/EIR. Instead, a preliminary evaluation was performed on each alternative to determine an appropriate range of storage. A rough approximation of water supply benefits for various storage volumes was made for both Sacramento River off-stream storage and south of Delta off-aqueduct storage. This preliminary evaluation suggests that the upper limit for new off-stream storage in the Sacramento Valley is about 3 MAF while a maximum of 250 TAF of new yield through conjunctive use is proposed. CALFED has held off on further commitment to storage locations and sizes until detailed study and interaction with

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stakeholders is accomplished. Off-stream surface storage facilities under consideration include Sites Reservoir, Red Bank, Thomes-Newville, enlargement of Los Vaqueros, and enlargement of Shasta Dam.

Ecosystem Restoration Program (ERP):

CALFED's Ecosystem Restoration Program (ERP) is intended to provide a habitat-based strategy to restore and enhance the Bay-Delta ecosystem, including potential areas in the Sacramento Valley watershed. ERP actions stress reactivation of natural watershed processes, such as stream meander, gravel recruitment, enhancement of riverine corridor vegetation, and tributary streamflow augmentation to provide improved habitats for multiple and diverse fish, wildlife and plant species. This program represents a significant component of the CALFED plan, with estimated program expenditures of $1.5 billion over a thirty year period.

Although ERP actions, if ultimately successful, may alleviate regulatory pressure on Sacramento Valley water users, various program actions raise numerous questions for water suppliers, farmers and landowners. Surface water diverters and property owners adjacent to rivers and creeks risk impacts associated with CALFED's proposals to acquire farmland to create river meander zones, enhancement of riparian vegetation along channeled stream sections, and setback levee construction. CALFED proposes to convert roughly 30,000 acres of Sacramento Valley farmland to habitat. Assurances must be secured to minimize the impact of these acquisitions on existing land use activities, financial integrity of districts, and local county revenues. NCWA's Board of Directors formed a special committee to review CALFED's land acquisition activities, and plans to propose specific steps agencies must undertake before these acquisitions begin.

We intend to work closely with CALFED to coordinate agency actions to reduce juvenile fish entrainment at water diversion locations, particularly at Red Bluff Diversion Dam, and to direct restoration funding toward these practical, effective measures. CALFED must conclusively support its premise as to how specific instream flows will benefit ecosystem restoration, since approximately 200,000 AF of average annual alternate supplies are proposed for acquisition by the ERP.

Water Quality Improvements:

CALFED intends to implement a Water Quality Program Plan (WQPP) in order to improve overall water quality for environmental, agricultural, drinking water, industrial and recreational uses. The WQPP has been developed at the programmatic level, therefore much work still remains to identify specific projects and implementation measures needed to achieve the desired improvements, although it is now clear the agencies are focusing on source water problems, such as agricultural runoff. During the next phase of the CALFED program, water quality activities will be further developed, refined and evaluated before any specific actions are adopted.

Actions with potential impacts for Sacramento Valley agricultural water suppliers and farmers include proposals to limit soil erosion and reduce pesticides, nutrients, pathogens, salinity, and ammonia in

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agricultural runoff. Due to the general lack of scientific data on a direct relationship between specific agricultural runoff and negative effects on fish species, CALFED intends to initially finance studies and analysis that will fill in the data gaps. Accordingly, CALFED's WQPP relies heavily on the implementation of measures based on financial and regulatory incentives rather than on traditional regulatory enforcement actions. The WQPP is meant to provide an overview of the types of activities being contemplated for the estimated 20-30 year implementation phase. NCWA has encouraged CALFED to provide financing and regulatory safe harbors to water suppliers and farmers that elect to participate in voluntary actions.

Water Use Efficiency:

CALFED's Water Use Efficiency component focuses on improvements in local water use management and efficiency in urban, agricultural and environmental water uses (wetlands, refuges). The Draft EIR/EIS suggests that more water users and suppliers must implement cost-effective efficiency measures developed by the AB 3616 MOU or pursuant to CVP water use efficiency plans. The report also stresses that water use efficiency will become part of the final plan, and that existing supplies must be used efficiently before CALFED undertakes steps to develop new storage or modify the current Delta conveyance system. CALFED plans to require demonstration that appropriate water management and planning, and cost-effective efficiency measures are being implemented. Further, if an acceptable majority of agricultural water suppliers (districts that serve water to two-thirds of the total acreage in the CALFED solution area, or approximately 5 - 5.5 million acres) have not adopted and begun implementation of their water management plans by January 1, 1999, then CALFED agencies will support more restrictive policies patterned after those that apply to urban water users.

CALFED's report recognizes that much of the water applied to crops that is excess to plant needs is reused, whether through return flows, deep percolation, or flow to neighboring farms. CALFED advocates a flexible approach, with funding for technical planning and implementation assistance. NCWA will continue to advocate water use management through region-specific plans that take into consideration such factors as surface and groundwater quality and quantity, soil quality and type, cultural practices and economic and environmental benefits.

Watershed Management Coordination Plans:

CALFED's proposed watershed strategy intends to coordinate and integrate the efforts of the various watershed groups throughout the state to streamline funding, standardize data collection, provide for peer review in adaptive management and serve as a "clearinghouse" for information exchange. CALFED proposes becoming the "coordination point" for participating agencies to more effectively coordinate their watershed budget dollars in conjunction with CALFED funding.

Because of the broad nature of the existing document, it is difficult to assess how this program will impact Sacramento Valley water users. NCWA supports a grass-roots approach to watershed

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management, with stakeholders driving the process, supported by CALFED funding and technical expertise.

There are four final areas that are moving forward, but are much less defined. Nonetheless, these are critical from the Northern California perspective. A preliminary review of these issues follows.

Water Transfer Policy Framework:

The report proposes the development of a policy framework for water transfers, which will include baseline data collection, public disclosure, and analysis and monitoring. CALFED considers water transfers an integral component of a long-term solution, however, minimal progress has been accomplished to identify specific provisions of state and federal law or agency regulation that should be amended to improve transfers. Initially, CALFED's Water Transfer Work Group focused upon the concept of a water transfer clearinghouse, yet these discussions have given way to solving physical problems such as system conveyance limitations through south Delta improvements and development of a dual system.

Concurrent with CALFED's work on a policy framework for water transfers, members of California's legislature are developing legislative proposals designed to consolidate California's water code dealing with water transfers. Its unclear at this time if this effort will succeed in this year's legislative session.

Assurances and Implementation Strategy:

The CALFED Draft EIS/EIR briefly discusses the proposed implementation strategy that will be used to assure that the final preferred alternative plan will be implemented and operated as it is designed. Later this year, CALFED, working through the Bay Delta Advisory Council and the Assurances Work Group, will develop a package of assurances, create a contingency process to address unforeseen circumstances, and develop a staging plan to allow various plan elements to be implemented in a manner that allows all stakeholders to "get better together."

The issue of assurances, especially staging, is critical to achieving an acceptable long-term Bay-Delta solution. The preliminary program staging outline proposed by CALFED suggests that implementation of ERP, water conservation and water quality programs will begin in early 2000, in conjunction with site-specific analyses for storage and conveyance facilities. Key assurance issues of concern to NCWA members include adherence of long-term storage and conveyance implementation to California's water rights system and area of origin laws, restoration impacts on existing land use, creation of a new entity to administer the ERP, developing an ongoing representative public process, coordinated implementation of program elements, and endangered species regulations.

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Financing CALFED's Solution:

The CALFED financial plan is so preliminary and general that an adequate test of compliance with NCWA financial principles cannot be made at this time. Currently, less than $1 billion is now available for CALFED activities estimated to initially cost $10 billion in capital alone. The preliminary CALFED financial strategy is to fund the preferred alternative with public funds and user money, including water user fees, assessments, and access and license fees. Direct beneficiaries of specific actions will likely pay, at least in part, for those benefits. Program elements that provide broad public benefits would be funded by state and federal agencies and through new appropriations. While financing is a critical issue to the CALFED solution, much more work will be required before a meaningful financial plan is achieved.

California and Federal Endangered Species Act Compliance:

As a foundation for implementing the state and federal Endangered Species Acts (ESA) compliance process, CALFED is developing a comprehensive Conservation Strategy for the CALFED program. The Conservation Strategy is intended to integrate CALFED enhancement and mitigation actions to provide for improved species and habitat protection, increase assurances of overall program implementation, and streamline state and federal ESA take authorization for approved actions. The Conservation Strategy will provide a species- and natural community- based comprehensive review of the entire CALFED Program, including the ERP, and including identification of mitigation measures needed to offset the effects of other Program actions. We must work to ensure that CALFED mitigation measures are reasonable and complement the ERP. The proposed Conservation Strategy will initially address certain CALFED activities – ERP actions, water quality, certain in-Delta conveyance actions – consistent with their preliminary staging plan. Other Program actions will require additional site-specific planning and review before they can be implemented.

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Notes

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Northern California Water Association Principles on the CALFED Bay-Delta Program
Adopted by NCWA's Board of Directors October 29, 1996

In 1994, the State of California and the United States signed a "Framework Agreement" pledging cooperation on a long-term plan to address chronic water supply and environmental problems in the Sacramento - San Joaquin River Delta and San Francisco Bay (Bay-Delta). Consistent with this pledge, urban, agricultural and environmental interests, also in 1994, signed the "Bay-Delta Accord" which established an interim management plan for the Bay-Delta. The Northern California Water Association (NCWA) is a signatory to the 1994 Bay-Delta Accord.

NCWA's participation in the 1994 Bay-Delta Accord reflects our members' historic commitment to environmental stewardship. This commitment has also resulted in improved water quality in the Sacramento River and its tributaries, more efficient water use in the Sacramento Valley, increased protections for fisheries and the establishment of thousands of acres of privately managed habitat for waterfowl and wildlife. Northern California interests have also supported comprehensive state-wide efforts, such as the State Water Project, designed to improve water supply, provide flood control protection, protect groundwater resources and produce other project benefits.

NCWA supports the resolution of environmental problems in the Bay-Delta ecosystem even though we believe that Sacramento Valley water users are not major contributors to the environmental problems of the Bay-Delta. Consistent with this view, NCWA has participated in the CALFED process and supports the current CALFED effort because it is based upon the goal of developing a comprehensive solution to water supply and environmental problems. NCWA intends to utilize the following principles to determine whether to ultimately support the CALFED preferred alternative now under development.

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1. The CALFED preferred alternative must adhere strictly to California's water rights priority system. This system has guided water allocation decisions in this state from a time prior to Statehood. The preferred alternative must also adhere strictly to the commitments and policies articulated in state and federal law, regarding the areas of origin. This includes adherence to these commitments and policies as they have been incorporated into various water supply and water diversion contracts.

2. CALFED agencies must recognize that all water supply and environmental issues are not necessarily Delta-related. CALFED should recognize that Sacramento Valley water users do not directly rely upon the Delta for their water supplies and, as a consequence, are not major contributors to the environmental problems in the Bay-Delta.

3. The CALFED preferred alternative must fully address the environmental problems in the Bay-Delta ecosystem. CALFED should recognize that while upstream water users are not major contributors to the environmental problems in the Bay-Delta, protection and enhancement of upstream fish and wildlife habitat on the Sacramento, Feather, and Yuba rivers and their tributaries will assist in resolving Bay-Delta environmental problems. The CALFED preferred alternative should also be consistent with voluntary water management and agricultural production practices that provide associated waterfowl and wildlife benefits.

4. The CALFED preferred alternative must provide for the development of new locally controlled and owned off-stream storage in the Sacramento Valley, (such as the Sites Reservoir project), that will create new yield for upstream needs in recognition of the areas of origin - for urban and agricultural uses, provide flood control benefits and supplement environmental water needs.

5. CALFED should implement water transfer policies consistent with the broader and long-term solution to water supply problems in the Bay-Delta. The policy should recognize that the actual water right holder - the owner of the water right - should determine the disposition of the water to be transferred. These guidelines should also ensure that a transfer will not cause unreasonable community, financial, water supply, operational or environmental impacts. Transfer proposals

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that would result in degradation of groundwater quality, or the overdraft of the safe yield of affected groundwater basins should be restricted. Transfers in accord with these policies should be deemed a beneficial use of water, including the transfer of water made possible through conservation or efficient water management practices.

6. The CALFED preferred alternative should encourage overall water management as a means to better facilitate the development of water supplies. Traditional concepts of water conservation will have limited success in the Sacramento Valley in developing new water sources. The amount of water applied to farmland that is not consumptively used in this region already returns to surface or groundwater sources and provides numerous beneficial uses, in addition to its primary agricultural use. The CALFED preferred alternative must focus on water use management through region-specific plans that take into consideration such factors as surface and groundwater quality and quantity, soil quality and type, cultural practices and economic and environmental benefits.

7. The CALFED preferred alternative must provide adequate financing and insure state and federal support for the implementation of a coordinated fish screening and fish passage program. This program should be implemented both upstream and in the Bay-Delta. The program should prioritize expenditures and implementation based upon criteria that will result in the greatest measurable benefit to the fishery.

8. The CALFED preferred alternative must provide certainty that agreed upon project facilities and their operations will not be limited or otherwise prohibited based upon future regulatory determinations. The CALFED preferred alternative must include assurances that water users will be protected from future regulatory actions, regardless of their source.

9. The CALFED financial plan should be based upon a comprehensive program that includes significant financial commitments from state and federal agencies. CALFED should initially focus on the redirection or revised management of state and federal programs related to CALFED's goals. Program elements that provide broad public benefits should be funded by

state and federal agencies and through new appropriations. Specific projects should be cost-shared wherever feasible. Water suppliers that contribute to the Central Valley Project Improvement Act Restoration Fund, or to a specific project identified or recognized in the Category III or CALFED program, should receive credit against any potential future financial obligation. New fee or contribution requirements must sunset so that funds are recovered only for the specific purposes and duration intended. There should be no tax or fee associated with the use or ownership of water.

10. The CALFED preferred alternative should support continuing agricultural activities on farmland. There should be no unilateral governmental action which restricts or otherwise dictates how private property shall be farmed. CALFED plans that recommend the purchase of farmland or fallowing are less desirable than locally developed options.

11. The CALFED preferred alternative must be consistent with the six solution principles established by CALFED (Reduce conflicts in the system, be equitable, be affordable, be durable, be implementable, and have no significant redirected impacts). CALFED must carefully evaluate each of the three conveyance options, currently under review, based upon a reasonable range of capacities and the solution principles.

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Notes

NCWA
Northern California Water Association

Northern California Water Association Water Transfer Policy

Revised by NCWA's Board of Directors December 3, 1997

The Northern California Water Association (NCWA) represents sixty-six agricultural water districts and agencies, private water companies and individual water rights holders with senior water rights and entitlements to the surface waters of the Sacramento Valley.

NCWA believes the transfer of water is one means of insuring that California's most precious resource can be put to reasonable beneficial use to the maximum degree practicable. Although water transfers may, in certain years, alleviate water shortages, these resources alone can not meet California's long-term water supply needs. Water transfers, where appropriate, should adhere to certain fundamental principles grounded in the recognition that rights in water are both a property right and a community resource.

NCWA's water transfer policy is based upon the recognition of the fundamental property right of those with water rights and the importance of water rights to local communities dependent upon area of origin water resources.

NCWA believes that the actual water right holder - the owner of the water right - should determine the disposition of the water to be transferred.

NCWA encourages its members to develop water transfer programs that facilitate district or agency transfers, and allow for all water users within a district or agency, where appropriate, to participate equitably in those transfers.

NCWA members should review all transfer proposals developed pursuant to district or agency water transfer programs to ensure that those proposals, if carried out, will not result in unreasonable community, financial, water supply, operational or environmental impacts. Transfer proposals which result in the least impacts to the area of origin shall be preferred over those with greater potential adverse impacts.

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NCWA believes that transfer proposals that would result in degradation of groundwater quality should be restricted. Transfer proposals that would result in overdraft of the safe yield of affected groundwater basins should also be restricted. The development of groundwater management plans is encouraged as a means of maintaining groundwater quality and to prevent groundwater overdraft.

NCWA believes that all transfers in accord with this water transfer policy should be deemed a beneficial use of water, including the transfer of water made possible through conservation or efficient water management.

NCWA believes that consumptive and or historic use limitations should not apply to district or agency-wide transfer proposals within the area of origin.

NCWA believes that watershed, county and other area of origin protections are essential and must be honored and adhered to. Consequently, any intra-basin user should have a right-of-first refusal regarding an out-of-basin transfer proposal.

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Notes

NCWA
Northern California Water Association

Northern California Water Association Groundwater Policy

Adopted by NCWA's Board of Directors December 3, 1997

The Northern California Water Association (NCWA) represents sixty-six agricultural water districts and agencies, private water companies, and individual water rights holders with senior rights and entitlements to the surface waters of the Sacramento Valley. NCWA's members also have overlying and appropriative water rights to groundwater resources in Northern California, from the Northern reaches of Tehama County to Sacramento County, from the edge of the Sierra Nevada Mountains in El Dorado County to Glenn County which extends to the Coast range.

NCWA believes the preservation of Northern California's groundwater resources is critical to the long-term viability of the region's economic prosperity and environmental well-being. While Northern California's groundwater resources may be abundant enough to meet some of California's short-term water supply needs, these resources alone can not meet the state's long-term needs. New offstream storage projects are essential to creating the water supplies necessary to meet California's burgeoning social, economic and environmental water supply needs.

Although groundwater issues are complex and views about its use are often based upon incomplete information, it is widely acknowledged that the proper management of these resources can benefit the economic needs of local communities and the environment.

NCWA has developed the following groundwater policy in recognition of the importance of groundwater resources to the region, and to the long-term preservation of these resources.

> NCWA encourages its members to protect underlying groundwater basins, aquifers and resources through the development and implementation of an appropriate groundwater management plan, such as an AB 3030 groundwater management plan (California Water Code 10750), or by monitoring and assessment of existing or new well activity. The compilation of baseline information, and monitoring, of groundwater characteristics is essential for the

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responsible management of these resources. This information may also be developed empirically through carefully managed and locally controlled demonstration projects.

NCWA encourages its members to identify and protect natural and artificial groundwater basin and recharge areas and processes - particularly, agricultural practices and the creation of seasonal wetlands for waterfowl that serve to replenish groundwater aquifers. Recharge of groundwater basins is an important element in groundwater management programs.

NCWA encourages its members to develop conjunctive use programs, where it is feasible, in order to responsibly manage, and maximize, surface and groundwater resources for the benefit of the local economy and environment. Conjunctive use is best defined as the integrated management of groundwater and surface water to increase water supplies, during selected times, above that which would otherwise be available if the two resources are managed independently. A properly managed conjunctive use program may be instrumental to the safe yield of a groundwater basin over the long-term.

NCWA believes that conjunctive use programs managed in conjunction with a water transfer program should be coordinated with all relevant local water transfer and groundwater policies, where appropriate. Water transfers based upon groundwater substitution should not be utilized in areas with long-term water deficiencies, or where unavoidable and significant economic or environmental impacts will occur as a result of the water transfer. During emergency conditions, such as drought periods, full and complete mitigation must be implemented to offset local impacts.

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Notes

E-017164

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